## HARGROVE, PESNELL & WYATT

BILLY R. PESNELL
JOSEPH L. HARGROVE, JR.
DAVID L. SMELLEY
PAUL A. STRICKLAND
SCOTT C. SINCLAIR
W. BROOKS MAY
JASON C. FALUDI

(A Professional Law Corporation)
AMERICAN TOWER, SUITE 600
401 MARKET STREET
SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS POST OFFICE BOX 59 SHREVEPORT, LOUISIANA 71161-0059 TELECPHONE (318) 429-7200 TELECOPIER (318) 429-7201

OF COUNSEL
WILLIAM G. CONLY

December 2, 2002

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Cotton Valley Formation, Reservoir A, and Hosston Formation, Reservoir A, BETHANY-LONGSTREET FIELD, DeSoto Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, and to the Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana:

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on the attached plat and being designated CV RA SUXX.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
  - 3. To designate Applicant as Operator of the proposed additional unit.
- 4. To permit Applicant to drill, designate and utilize a unit well and three (3) alternate unit wells for the proposed unit at the locations shown on the attached plat, with the location of the proposed unit well and the most southeasterly of the proposed alternate unit wells, as shown on the attached plat, being in exception to the well location provisions of Office of Conservation Order No. 289-J, effective March 1, 1974.
- 5. To find that designation and use of alternate unit wells for CV RA SUXX is necessary and in the interest of conservation in order to efficiently and economically drain portions of the Cotton Valley Formation, Reservoir A, underlying the proposed unit that cannot be efficiently and economically drained by any existing well.

- 6. To permit the Operator of CV RA SUXX to produce the allowable assigned to the unit from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
- 7. To authorize the downhole combination of production from the Cotton Valley Formation, Reservoir A, with production from the Hosston Formation, Reservoir A, in any existing or future well located on CV RA SUXX in which the interests in such unit are identical to the interests in HOSS RA SU17 (which is the Hosston Formation, Reservoir A, unit covering the identical area).
  - 8. To discuss such other matters as may be pertinent.

The Cotton Valley Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, was initially defined in Office of Conservation Order No. 289-J, effective March 1, 1974, and was further defined in Office of Conservation Order No. 289-J-1, effective April 14, 1977. The Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, was initially defined in Office of Conservation Order No. 289, effective October 1, 1954, and was further defined in Office of Conservation Order No. 289-A-g-2, effective April 14, 1977.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated November 15, 2002, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set December 5, 2002, as the tentative date for the pre-application conference. No request for the pre-application conference was received; accordingly, no pre-application conference was held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plat (which is identical to the unit plat attached to the pre-application notice except for a revised location for the proposed unit well) is enclosed herewith, and a copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Honorable James H. Welsh December 2, 2002 Page 3

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Bethany-Longstreet Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

Attorney for El Paso Production Company

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encl.)

Mr. Paul Eschete (w/encl.)

Mr. Julian Chahin (w/encl.)

Ms. Shirley Galik (w/encl.)

Mr. Louis Gilbert (w/encl.)

Interested Owners, Represented Parties

and Interested Parties (w/plat only)

